

Normalized Metered Energy Consumption (NMEC) Working Group

Monday, May 6, 2019 at 10:00-11:00 am PDT

Hosted by CPUC and PG&E

Facilitated by Michelle Vigen Ralston, Common Spark Consulting



*Pacific Gas and
Electric Company*[®]

Who's Who

- Coby Rudolph, CPUC
- Caroline Massad Francis, PG&E
- Michelle Vigen Ralston, Common Spark (facilitator)

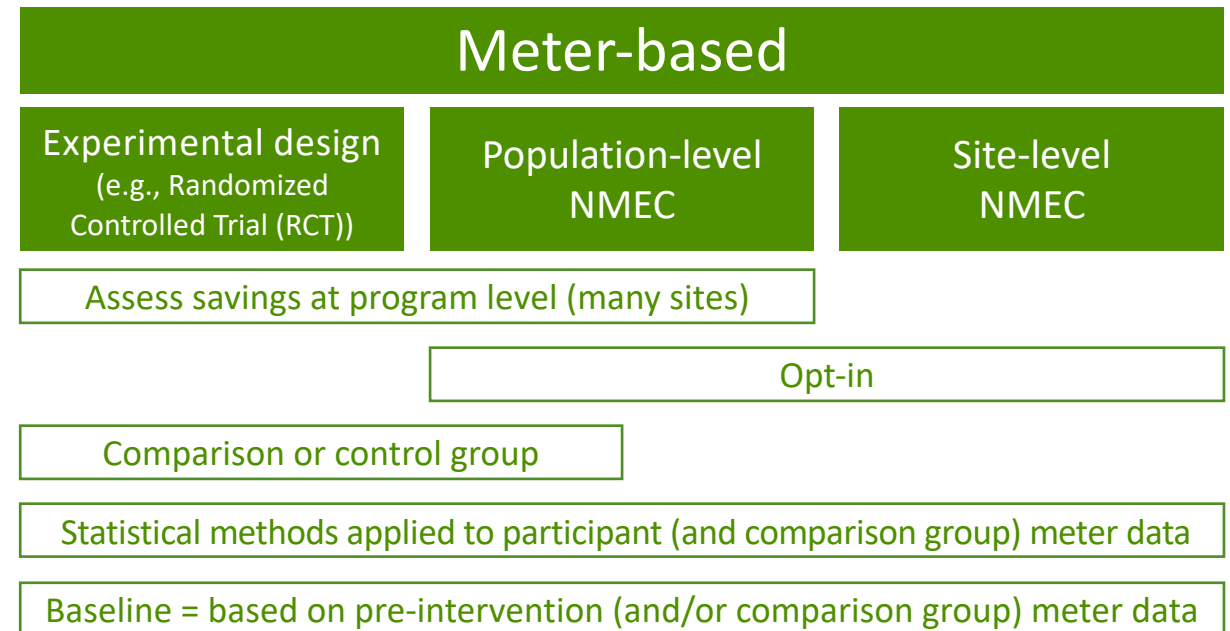
Work Group Contact: michelle@common-spark.com

Agenda

1. What is NMEC?
2. Background
3. Working Group Goals and Process
4. What is Population-level NMEC? (Feedback)
5. Next Steps

What is NMEC?

- NMEC = Normalized metered energy consumption
- NMEC legislative/regulatory history
 - AB 802
 - HOPPs
 - March 2018 Ruling
 - January 2019 Ruling





Background

(Coby Rudolph, CPUC)

Energy efficiency in California is changing...

- Aggressive state policy goals:
 - Implement all cost-effective energy efficiency
 - Double energy efficiency by 2030
 - SB 100
 - Decarbonization





Background: Time for Meter-based Savings

- 3rd-party programs rolling out next year
- Development to date of meter-based savings programs and tools
- Rulebook issued for site-level NMEC
- Need to develop guidance for programs using population-level NMEC





Background: Working Group

January 31, 2019 Ruling:

- Staff to make site-level NMEC rulebook updates (underway)
- Distinguish between site-level and population-level
- Convene an NMEC working group
- Prioritize population-level guidance





Background: Working Group

- CPUC invites your feedback on NMEC
- Population-level NMEC feedback needed now
- Population-level rulebook updates in ~Summer 2019
- Looking forward to this working group process
- Thank you to PG&E, Common Spark. Thank you to participants who will be volunteering time!
- There **WILL** be separate opportunity for public comment on population-level updates to rulebook.



Working Group Goals

- May-June 2019 meetings will focus on key guidance for population-level NMEC
- Goals:
 - Solidify definition of population-level NMEC
 - Identify topics on which guidance are needed
 - Within list, identify priority areas that can be established in this initial round of meetings
 - Within priority areas, make consensus recommendations to inform CPUC development of rulebook. Recommendations should:
 - Be based on participants' expertise and known best practices
 - Propose interim guidelines/principles, *and also*
 - Identify areas for further study
- Output: report on consensus recommendations

Working Group Process: Schedule

- Meeting 1 (May 6 webinar): Intro, Scope, Definition of Population-level NMEC
- Meeting 2 (May 15 webinar, time TBD): Confirm Definition, Propose “buckets” of priority topics
- Between Meetings: Development of Straw Proposals
 - Working Group members to contribute proposals and ideas in writing to Michelle
 - Michelle may convene calls with proposers if there’s a wide range of positions
- Meeting 3 (June 4 in-person): Present straw proposals, breakout groups to refine and present revisions, straw poll on consensus
- Meeting 4 (Mid-June webinar): Update on final results

Working Group Process: What's Involved

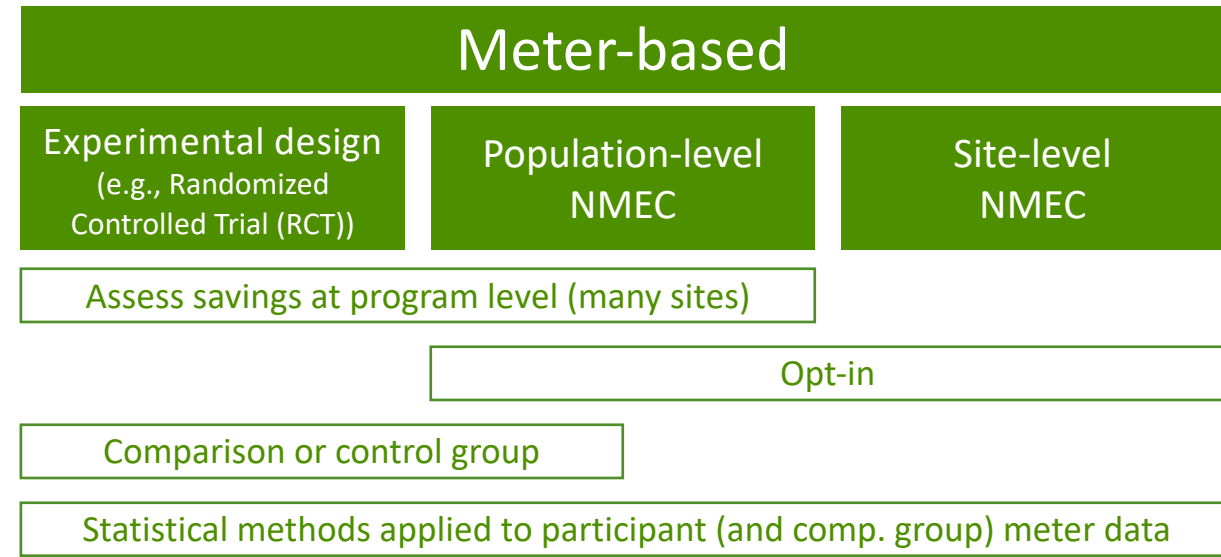
- Volunteer effort
- Identify point people in your organization (1-2) who should:
 - Attend working group meetings
 - Contribute to subgroups in between meetings
- Identify topics for which you would like to participate in subgroups
 - Work between meetings will be organized by the facilitator (Michelle)

What is Population-Level NMEC? Original

Proposal: concepts that distinguish population-level NMEC

- Claim savings at the cohort level (i.e., group of sites)
- Consistent method to measure savings at all sites
 - Could be pooled method or aggregate site-specific estimates
- Factors that drive energy consumption are consistent across all sites
- Data from all sites are collected and prepared for analysis the same way

- Comments? Anything missing from this definition? What's not clear?



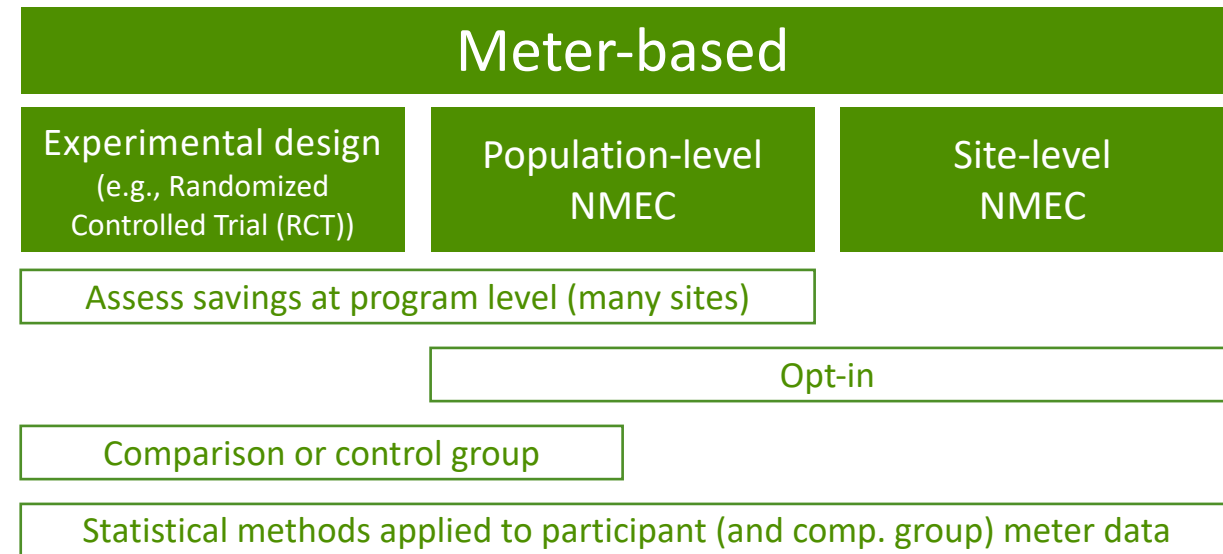
What is Population-Level NMEC? (MARKED UP)

Proposal: concepts that distinguish population-level NMEC

- Claim savings at the cohort level (i.e., group of sites)
- Consistent method to measure savings at all sites
 - Could be pooled method or aggregate site-specific estimates
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• Comments? Anything missing from this definition? What's not clear?

- Good start for conceptual framework, need certainty in terms of metrics and to know what group a program design falls into
- To what extent are P4P performance design issues part of this scope
- Need to define aggregation rules
- Population-level could but might not use comparison group
- NRE/A is site-specific (would fall under site-level approach), *and* what are the eligibility requirements for inclusion in a population NMEC approach
 - Some NREs may not be randomly distributed and may still need treatment.
- Need to clarify between payable M&V and claimable impacts (noted, out of scope for this near-term discussion)
- Is there a standard definition for “normalized” for population NMEC?
- *Need to identify statistical validity boundaries. What do we mean by consistent.
- From a population perspective, what constitutes an outlier for population level savings (and how to balance interest of the customer)
- Re: Business model - Are we aggregating based on ECM or building type? Aggregator to identify how to define a population (vs. what defines claimable)



Next Steps

- Fill out survey if you haven't yet: http://bit.ly/NMEC_WG_Survey
 - Identify global set of questions, issues, and guidance
 - Note if you are willing to provide written proposals on certain guidance or participate in calls between meetings to discuss proposals
- Next Meeting – May 15 webinar (time TBD)
 - Will confirm definition
 - Will propose and prioritize “buckets” of guidance and issues for discussion
 - Identify work group members willing to contribute to different issue areas

Contact

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Resources

- CPUC NMEC [guidance site](#)
 - Includes rulebook for site-level, technical guidance
- March 23, 2018 CPUC [NMEC ruling](#)
- January 31, 2019 CPUC [NMEC ruling](#)
- PG&E Resource Savings Rulebook
 - [Rulebook](#) (see chapter 5, update coming soon)
 - [Slides](#) from associated training
 - [FAQs](#) from associated training